

In the subject Office Action, claims 1-2, 7-20, and 23-30 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,064,970 to McMillan et al., and claims 3-6 and 21-22 were rejected under 35 U.S.C. § 103(a) as being unpatentable over McMillan et al. in view of U.S. Patent No. 6,393,346 to Keith et al.

Applicants respectfully traverse the Examiner's rejections to the extent that they are maintained. Applicants have amended claims 1, 17, and 29, and cancelled claims 10-12, 14-16, and 27-28. Claims 1-9, 13, 17-26, and 29-30 remain in the application. Applicants respectfully submit that no new matter is being added by the above amendments, as the amendments are fully supported in the specification, drawings and claims as originally filed. Attached hereto is a copy of the currently pending claims including a marked-up version of the changes made to the claims by the current amendment. The attachment is captioned "Version with Markings to Show Changes Made."

Now turning to the Examiner's rejections, and in particular to the rejection of independent claim 1, claim 1 as amended generally recites a method of conducting an economic transaction associated with rental of a vehicle over a period of time. The claimed method includes tracking the location of the vehicle during at least a portion of the period of time associated with the rental, including detecting that the vehicle is located at a location having an increased level of risk, and adjusting a cost associated with the economic transaction associated with the rental at least in part based on the location of the vehicle at the location having the increased level of risk.

McMillan et al., on the other hand, provides a method of determining a cost of automobile insurance for a selected period based upon monitoring, recording and communicating data representative of operator and vehicle driving characteristics during the period. However, automobile insurance is not equivalent to vehicle rental, in fact, auto insurance and vehicle rental are completely different lines of business. As such, irrespective of whether McMillan et al. discloses determining the costs associated with automobile insurance, McMillan et al. does not disclose adjusting costs associated with a

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vehicle rental, as is recited in claim 1. To support a rejection under 35 U.S.C. § 102(e), a cited reference must teach each and every limitation in a rejected claim. In this case, McMillan et al. does not disclose adjusting costs associated with a vehicle rental, as is required by claim 1. Accordingly, claim 1 is novel over McMillan et al., and the rejection should be withdrawn.

Furthermore, claim 1 is also non-obvious over McMillan et al., as there is no suggestion in the reference or elsewhere in the prior art to modify McMillan et al. to adjust costs associated with vehicle rental. As noted above, auto insurance and vehicle rental are entirely different businesses. McMillan et al. is directed solely to insurance applications, and as such, does not on its face suggest other applications such as vehicle rental applications. In fact, the word "rental" does not appear anywhere within the text of the reference.

The Examiner attempts to address these failings of McMillan et al. by citing a passage at column 3, lines 3-24 in connection with the rejections of claims 10 and 28. The Examiner apparently interprets the passage "economical and practical value for a system intended to provide an enhanced acquisition" to be a form of economic transaction that includes vehicle rental. (Office Action, page 4). Precisely how this passage would lead one of ordinary skill in the art to modify McMillan et al. to be used in a vehicle rental application is unclear to Applicants, and if the Examiner decides to continue the rejection, Applicants would appreciate a further clarification. As it stands, it is Applicants' belief that the only manner in which the passage could be interpreted to suggest vehicle rental would additionally require a knowledge of Applicants' disclosure, and thus would constitute the improper use of hindsight.

Given that McMillan et al. itself is utterly silent with respect to the concept of adjusting the cost of a vehicle rental, McMillan et al. cannot be relied upon to provide the evidence of motivation or suggestion that is required to support an obviousness rejection. Furthermore, the Examiner has cited no other reference that suggests the modification of McMillan et al. to adjust the cost associated with a vehicle rental. A *prima facie* case of

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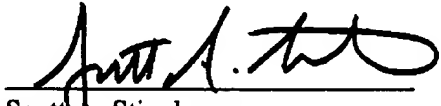
obviousness requires some objective evidence of a motivation to modify a reference in the manner suggested by the Examiner, and absent any such objective evidence, an obviousness rejection cannot be sustained. In this case, the Examiner has failed to raise a *prima facie* case of obviousness as to claim 1. Accordingly, the claim is patentable over the prior art of record. Reconsideration and allowance of claim 1, and of claims 2-9 which depend therefrom, are respectfully requested.

Moreover, with respect to the other rejected independent claims (claims 13, 17, and 29), claim 13, and amended claims 17 and 29, all recite conducting an economic transaction associated with rental of a vehicle over a period of time. Accordingly, for the same reasons as presented above with respect to claim 1, these claims are likewise patentable over the prior art of record. Reconsideration and allowance of claims 13, 17, and 29, as well as of claims 18-26 and 30 which depend therefrom, are respectfully requested.

In summary, Applicants respectfully submit that all pending claims are novel and non-obvious over the prior art of record. Reconsideration and allowance of all pending claims are therefore respectfully requested. If the Examiner has any questions regarding the foregoing, or which might otherwise further this case onto allowance, the Examiner may contact the undersigned at (513) 241-2324. Moreover, if any other charges or credits are necessary to complete this communication, please apply them to Deposit Account 23-3000.

Respectfully submitted,

8 JAN 2003
Date


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Claims 10-12, 14-16, and 27-28 have been canceled without prejudice, and claims 1, 17, and 29 have been amended as outlined below. The currently pending claims, including the aforementioned amendments, are as follows:

1. (Once Amended) A method of conducting an economic transaction associated with [usage] rental of a vehicle over a period of time, the method comprising:

(a) tracking the location of the vehicle during at least a portion of the period of time associated with the [economic transaction] rental, including detecting that the vehicle is located at a location having an increased level of risk; and

(b) adjusting a cost associated with the economic transaction associated with the rental at least in part based on the location of the vehicle at the location having the increased level of risk.

2. The method of claim 1, wherein the increased level of risk is based on at least one of risk of vehicle theft, risk of injury, risk of crime, risk of vehicle accident, risk of hazardous road conditions, risk of terrorist activity, risk of combat activity, and combinations thereof.

3. The method of claim 1, wherein tracking the location of the vehicle includes:

(a) calculating the location of the vehicle at a point in time using a location sensor coupled to the vehicle; and

(b) storing a timestamped entry in a database identifying the point in time and the calculated location of the vehicle at such point in time.

4. The method of claim 3, wherein the location sensor includes a Global Positioning System (GPS) receiver.
5. The method of claim 3, wherein tracking the location of the vehicle further includes determining a current region for the vehicle from the calculated location, wherein calculating the location of the vehicle includes calculating a second location for the vehicle at a second point in time, and wherein storing the timestamped entry in the database includes storing a second timestamped entry in the database for the second calculated location only if the region associated with the second calculated location differs from the region associated with the first calculated location.
6. The method of claim 5, wherein the current region is selected from a plurality of regions, the method further comprising assigning a level of risk to each of the plurality of regions.
7. The method of claim 1, wherein adjusting the cost associated with the economic transaction includes adding a surcharge to the cost in response to detection of the location of the vehicle at the location having the increased level of risk.
8. The method of claim 7, wherein the amount of the surcharge is based on an amount of time that the vehicle is located at the location having the increased level of risk.
9. The method of claim 1, wherein adjusting the cost associated with the economic transaction includes selecting one of a plurality of base rates based upon detection of the location of the vehicle at the location having the increased level of risk.
10. (Canceled).

11. (Canceled).

12. (Canceled).

13. A method of renting a vehicle, the method comprising:

(a) tracking the location of the vehicle during at least a portion of a rental period, including detecting that the vehicle is located at a location having an increased level of risk during the rental period; and

(b) increasing the cost associated with renting the vehicle based on detecting the location of the vehicle at the location having the increased level of risk.

14. (Canceled).

15. (Canceled).

16. (Canceled).

17. (Once Amended) An apparatus, comprising:

(a) a vehicle location tracking system configured to track the location of a vehicle during at least a portion of a period of time associated with an economic transaction associated with rental of the vehicle; and

(b) a program configured to receive location information from the vehicle location tracking system to identify the location of the vehicle during the portion of the period of time associated with the economic transaction associated with rental of the vehicle, at least a portion of the location information indicating that the vehicle was located at a location having an increased level of risk, the program further configured to adjust a cost associated with the economic transaction

associated with rental of the vehicle at least in part based on the location of the vehicle at the location having the increased level of risk.

18. The apparatus of claim 17, wherein the increased level of risk is based on at least one of risk of vehicle theft, risk of injury, risk of crime, risk of vehicle accident, risk of hazardous road conditions, risk of terrorist activity, risk of combat activity, and combinations thereof.

19. The apparatus of claim 17, wherein the vehicle location tracking system comprises a location sensor coupled to the vehicle.

20. The apparatus of claim 19, wherein the location sensor comprises a Global Positioning System (GPS) receiver.

21. The apparatus of claim 19, wherein the vehicle location tracking system further includes a second program configured to store the location information in the form of timestamped entries, each identifying one of a plurality of regions and a time at which the vehicle was located in such region, the second program further configured to add a timestamped entry at a second point in time only when a current region for the vehicle at the second point in time differs from a previous region for the vehicle at a first, previous point in time.

22. The apparatus of claim 21, wherein each of the plurality of regions is associated with a level of risk.

23. The apparatus of claim 19, wherein the vehicle location tracking system is coupled to the vehicle, the apparatus further comprising:

(a) a billing computer upon which the program executes; and

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(b) a handheld computer configured to interface with the vehicle location tracking system to obtain the location information therefrom, and to interface with the billing computer to download the location information thereto.

24. The apparatus of claim 17, wherein the program is configured to adjust the cost associated with the economic transaction by adding a surcharge to the cost in response to detection of the location of the vehicle at the location having the increased level of risk.

25. The apparatus of claim 24, wherein the amount of the surcharge is based on an amount of time that the vehicle is located at the location having the increased level of risk.

26. The apparatus of claim 17, wherein the program is configured to adjust the cost associated with the economic transaction by selecting one of a plurality of base rates based upon detection of the location of the vehicle at the location having the increased level of risk.

27. (Canceled).

28. (Canceled).

29. (Once Amended) A program product, comprising:

(a) a program configured to receive location information identifying the location of a vehicle during at least a portion of a period of time associated with [an economic transaction] rental of the vehicle, at least a portion of the location information indicating that the vehicle was located at a location having an increased level of risk, the program further configured to adjust a cost associated

with the [economic transaction] rental of the vehicle at least in part based on the location of the vehicle at the location having the increased level of risk; and

(b) a signal bearing medium bearing the program.

30. The program product of claim 29, wherein the signal bearing medium includes at least one of a recordable medium and a transmission medium.

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